

Finance and Resources Committee

10am, Thursday, 26 November 2015

Interim Budget Engagement Report

Item number	7.7
Report number	
Executive/routine	
Wards	All

Executive summary

This report outlines the structure of the budget engagement campaign and highlights the key actions being taken to ensure a large and diverse group of staff, citizens and other stakeholders are meaningfully engaged. The report summarises the overall level of response, demographic profile of respondents, and emerging themes from feedback to the Council's budget engagement process so far.

Total responses are around 57% of those received at the week five mark during the 2014 budget engagement process. Over the next six weeks activities will be increased to raise awareness and enhance participation, including targeted effort to reach groups who are underrepresented in the sample obtained to date. These activities are included in this report.

Respondents to the online planner have been at least supportive of the Council's current budget positions, but have also pushed for more radical options in areas such as Council Tax, charging, co-production, co-location and electronic billing. There are no significant themes emerging through other feedback methods.

The engagement process is live and will continue until Thursday 17 December 2015.

Links

Coalition pledges	All
Council outcomes	All
Single Outcome Agreement	All

Interim Budget Engagement Report

Recommendations

- 1.1 To note the Council's budget engagement progress to date.
- 1.2 Note an extension to the budget engagement period of one week (to Thursday 17 December 2015) to allow more time for feedback following the publication of additional budget proposals on Friday 20 November 2015.

Background

- 2.1 Local government resources face unprecedented pressures due to demographic and expectation driven increases in demand, set against a background of public sector budget cuts. In this context the City of Edinburgh Council continues to engage citizens, staff, partner organisations and all other stakeholders in a dialogue about what shared priorities are and how the Council should allocate its budget.
- 2.2 While engagement on spending and saving issues is continuous, the most intensive and obvious period of this process is between the publication of the Council's draft budget proposals and the agreement of the following year's budget.
- 2.3 The Council seeks to reach the largest number of people and meaningfully engage with them on the budget. As the Council's budget is almost £1bn and covers a diverse range of services, ensuring respondents are engaged and reasonably well-informed about the consequences of budget changes is a challenge. Each year the engagement programme has been adapted and improved based on learning from previous years.
- 2.4 In addition to the online planner and standard methods of communication, for 2015 the Council has introduced an online survey to ensure demographic information is being gathered alongside information that would otherwise be received by email, and the idea-generation tool Dialogue.
- 2.5 Following feedback and building on the success of the 2014 online planner, the renewed planner focuses on a reduced set of strategic decisions for the organisation.
- 2.6 A further set of budget proposals will become public and will be added into consultation materials on **Friday 20 November 2015**. Due to these additional proposals, the committee is asked to note the extended budget consultation period of a further week. Full results will be reported to Council in January 2016.

- 2.7 This report provides interim findings to the Finance and Resources Committee based on all responses received five weeks into the campaign.

Main report

Methods of engagement

- 3.1 As this year's budget engagement takes place over 11 weeks, the communications have been planned to draw people into the three digital engagement tools as well as highlighting a mix of the services and engagement topics.
- 3.2 This year's 'your city, your say' campaign makes use of a variety of communication channels to encourage people to have their say:
- the Council's website
 - the Council's social media
 - lamppost wraps
 - community press and online adverts
 - articles in traditional media and STV Edinburgh interviews
 - efliners
 - Council plasma screens in libraries and neighbourhood offices
 - leaflets and posters in both Council-operated and non-Council locations
 - employee communications including intranet stories
 - an extensive series of stakeholder meetings being led by service area budget champions.
- 3.3 Feedback has been received into the budget engagement process by letter, email, telephone, social media and face-to-face. The Council is promoting use of the online [budget planner](#), [dialogue page](#) and survey as ways for all individuals and groups to submit their feedback and suggestions for how the Council should spend and save money.

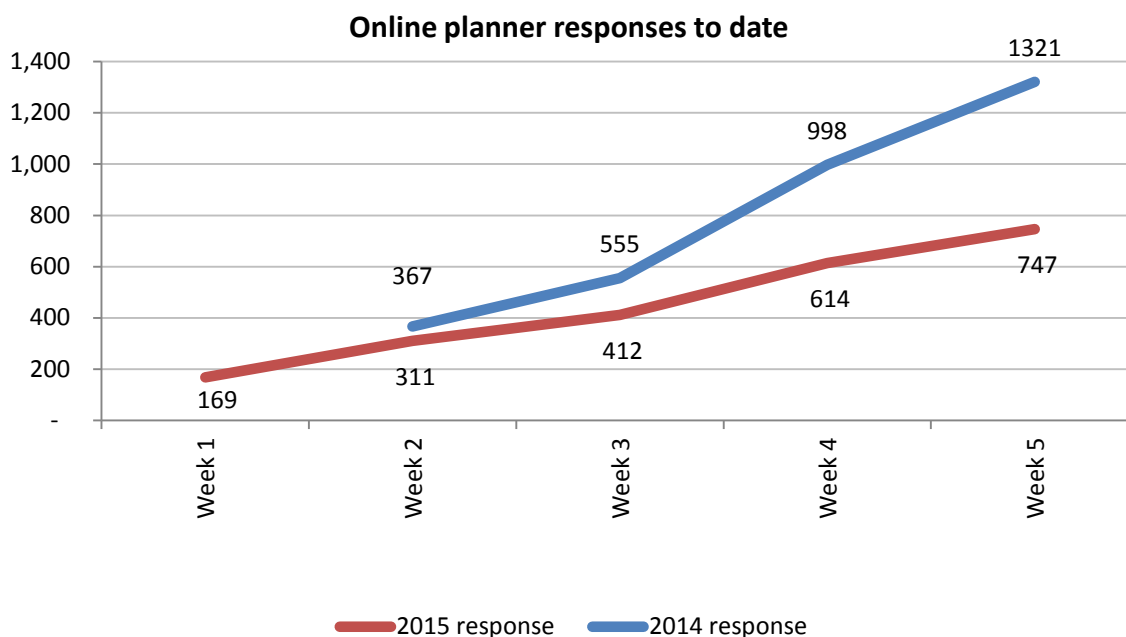
Reach of engagement activities

- 3.4 **14,000 leaflets have been printed and distributed** widely to a range of Council and non-Council locations and will be used during stakeholder meetings. This printed format provides an alternative for those who cannot and do not use digital channels. Distribution numbers have been based on the demand for leaflets during the 2014 budget engagement process.
- 3.5 Stakeholder engagement activities are taking place. Estimates of the number of people engaged in face-to-face will be available in the final report.
- 3.6 The web page www.edinburgh.gov.uk/budget has received 3,884 unique views.

- 3.7 An extensive social media campaign is taking place, encouraging people to take part in the online engagement tools. This includes Facebook and Twitter adverts in addition to frequent posts.
- 3.8 64 Tweets have been published so far from the main Council twitter account resulting in a potential reach of 202,051. The Council's messages have engaged Twitter users, resulting in 283 retweets, 131 Likes and 24 replies. The ratio of views to clicks is around 0.3%, with 688 Twitter users clicking through.
- 3.9 Eight facebook posts have also generated interest reaching 19,518 Facebook users. There have been 33 shares, 61 likes and 52 comments on these messages. The ratio of views to clicks is 1.2% with 241 Facebook users clicking through.
- 3.10 Those who complete the online planner can share their experience through their own Twitter and Facebook networks.
- 3.11 Working again this year with the Edinburgh Evening News, Edinburgh Reporter and STV Edinburgh a number of opinion pieces, articles and interviews have been planned, published and broadcast. These are taking place with Conveners and are based on the committees and campaign themes.
- 3.12 A webcast Question Time event will take place on **Monday 23 November**. Members of the public are invited to submit questions via Twitter, using #edinbudget, in advance and on the night. These will be discussed on the night by a panel of councillors in front of a live audience.

Response numbers

- 3.13 A total of 747 responses to the budget engagement have been received by all methods during the first five weeks of the engagement. This compares to 1,321 responses by all methods over the first five weeks of the 2014 engagement process – the 2015 response equates to around 57% of the 2014 response.
- 3.14 **359 individuals have completed the online budget planner** by the end of week five of the budget engagement. This figure is around half the number of completed responses that had been received by the same point in the 2014 engagement, but is higher than the total responses received to the online survey in 2013. If current response levels are maintained, the expected total response to the online planner would be around 800.

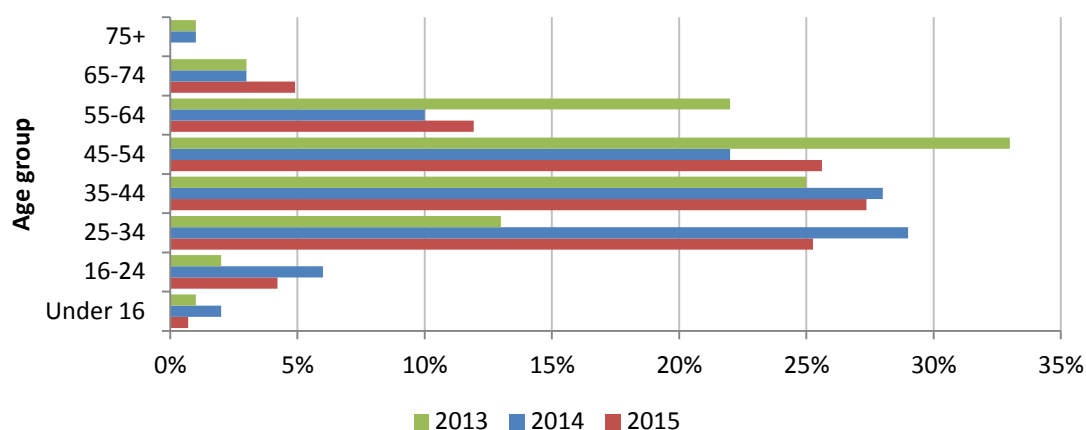


- 3.15 **37 ideas have been discussed on the Council’s Dialogue site**, resulting in 87 individual comments and 113 ratings.
- 3.16 **75 additional responses have been received by online form, email, telephone and letter.** The largest of these is online form, with some 57 responses submitted this way. This is down on the 130 responses that had been received by all methods by week five of the engagement process in 2014.
- 3.17 **A further 55 comments have been received by respondents using the budget planner.** This compares to 134 by week five of the process in 2014.

Demographics

- 3.18 Of the 359 respondents to the online planner, 85% have answered supplementary demographic questions. This is up 10% on 2014 levels. This information is useful for ensuring that all groups are appropriately included in the engagement and that particular budget choices are better understood.
- 3.19 Women are currently under-represented in responses to the online budget planner. Around 37% of responses are from women, whereas women make up slightly more than half of the population of the city. A similar lower level of response was received from women using the 2014 planner and it was necessary to weight final results to appropriately represent the views of women in the final results.
- 3.20 The age profile of respondents has remained similar to that recorded in 2014 – both the 2014 and 2015 engagement exercises have attracted an overall younger demographic than in 2013.

Percentage of budget respondents by age group (excluding those who did not state their age)



- 3.21 In the final report, elected members will be presented with a weighted budget alongside the overall result of the engagement. This will reflect the choices of a perfectly representative group of respondents. However the accuracy of this model is improved by having a large number of respondents of all ages.
- 3.22 Around 27% of respondents are Council employees – this is in line with all previous years where around a quarter of respondents were employed by the Council.
- 3.23 Further communication and engagement activities will be targeted at under-represented groups to ensure they are aware of the consultation and able to take part.

Online planner choices

- 3.24 Eight key strategic areas were presented to the public in the online planner, with realistic choices available in each case. The overall reaction is summarised below.
- 3.25 **Council Tax** – a majority (62%) were in favour of increasing Council Tax to pay for services, while 9% wanted to see a reduction. Almost a quarter of respondents (23%) were in favour of increasing Band D Council Tax by around £100, while 39% opted for the more modest £50 increase.
- 3.26 **Charging Policy** – 20% of respondents did not want to see average cost increases for services be higher than the rate of inflation. 42% supported the Council's current budget proposal to increase charges by an average of inflation plus 2%, while 38% of respondents were in favour of average increases of inflation plus 4% for the next four years.
- 3.27 **Support service redesign and redundancy policy** – 21% of respondents favoured a longer implementation period with reduced use of voluntary redundancy packages, and higher value redundancy packages, at increased cost to the Council. 40% were in favour of the Council's current approach for redesign of support services, while 39% of respondents wanted services to

change faster and redundancy packages reduced to statutory minimums for staff who did not take these options up quickly. These results will be analysed further to compare how these responses differ between staff and the public.

- 3.28 **Working with partners and the third sector** – 54% of respondents were in favour of the Council moving further towards becoming a commissioning body, working with partners to co-design most services and have many delivered by bodies other than the Council. 35% were in favour of the Council's current plans to increase co-production. Only 10% favoured bringing all services in-house to improve operational control and ensure service standards.
- 3.29 **Co-locations of services** – 64% of respondents supported a more radical programme of co-location of services, with the Council committing to the creation of community hubs that would house libraries, leisure facilities, and Council and partner offices. 19% were supportive of a more cautious approach to merging Council facilities as options arose this made clear financial sense. However 18% of respondents were opposed to 'local centralisation' of facilities and preferred more disaggregated facilities, even though these would be more expensive to run in the long term.
- 3.30 **Parking charges (residents and visitors)** – 29% of respondents supported the Council's current parking charge increases in the draft budget, but 43% were in favour of larger increases for residents and visitors. 21% of respondents were in favour of holding all parking charges at the current level (at a reduction of £1.1m in budgeted revenue). Only 6% of respondents favoured a decrease in parking charges.
- 3.31 **Renewable energy generation** – 28% of respondents were in favour of a more ambitious strategy on renewable energy generation, with the Council actively seeking opportunities to invest in renewables to gain more income in future. However the majority 72% preferred a more cautious approach.
- 3.32 **Electronic billing** – 81% of respondents supported moving to digital billing by default, with customers having to opt-in to paper billing.

Dialogue ideas and other comments

- 3.33 The highest rated ideas suggested on the Council's Dialogue page were:
- 3.34 **A tourist tax** – rated 5 out of 5, with a total of 22 votes and comments – a general consensus being that a £2 per room, per night charge on hotel occupancy would be reasonable and desirable;
- 3.35 Additional fees for **installation permits** for private contractors (a Council seed idea) – rated 5 out of 5, with a total of 13 votes and comments – strong support for the Council's plan to charge private developers for the total cost of inspection, ensuring pavements and roads are reinstated appropriately;
- 3.36 **Closing Castlebrae High School** – rated 5 out of 5, with a total of 7 votes and comments – a general consensus being that outcomes for pupils would be better and costs would be reduced if the school were closed.

Actions to promote further engagement

- 3.37 Extensive social media will continue to be used throughout the campaign, including Twitter Q+As, to support the weekly themes, as will articles in the media, eflers and plasma screens.
- 3.38 Service areas will be conducting engagement activities with their own customers throughout the remaining weeks of the process.
- 3.39 Employee communications will also continue to highlight the weekly themes.

Comments received from other sources

- 3.40 Despite from 75 comments received from a range of other sources, no prominent themes have emerged. However respondents have variously supported the proposals in general, opposed the proposals in general, requested protection for education and social housing services, and suggested increasing Council Tax.
- 3.41 A complete account of all feedback received will be provided to elected members.

Measures of success

- 4.1 The success of a budget engagement process is determined by several criteria, including:
 - a. The number of individuals who are reached by messages about the consultation, raising awareness that the Council is engaging on its budget;
 - b. The number of individuals who attend events;
 - c. The number of individuals who complete and submit the online planner;
 - d. The number of comments made on the budget by any means;
 - e. The demographic representativeness of those responding;
 - f. The extent to which individuals and organisations have been able to understand and meaningfully input into the budget process. Unlike other measures of success, this is subjective and takes into account wider feedback on the budget process.
- 4.2 The final report to the Council will include performance against all of these measures compared against performance for the 2015 budget engagement process.

Financial impact

- 5.1 The budget engagement process is met from within existing budgets and resources.

Risk, policy, compliance and governance impact

- 6.1 There is a general acceptance that a local authority has a responsibility to meaningfully engage with stakeholders on its budget. An open, transparent budget engagement process is a key part of several corporate strategies and local community plans. This process reduces the overall risk of legal action and reputational damage for the Council.

Equalities impact

- 7.1 The budget engagement process will report on the representativeness of the respondents.
- 7.2 The engagement process has been designed to be inclusive through all communication channels, reaching both individuals and special interest groups, using a range of promotional material.
- 7.3 All proposals from the budget are in the process of being equalities rights impact assessed both individually and cumulatively. The results of these ERIAs will be reported to Full Council as part of the budget process.

Sustainability impact

- 8.1 The impacts of this report in relation to the three elements of the Climate Change (Scotland) Act 2009 Public Bodies Duties have been considered, and the outcomes are summarised below.
- 8.2 This budget engagement process has no appreciable impact on carbon emissions. Through any engagement process it is hoped that services and their customers will develop more sustainable ways of operating.
- 8.3 The need to build resilience to climate change impacts is not relevant to this report, however specific proposals may have climate change impacts and these will be reported on as part of their individual impact assessments.
- 8.4 The budget engagement process will help achieve a sustainable Edinburgh through ensuring a diverse range of people have a meaningful say on issues that affect the economic wellbeing and environmental stewardship of the city.

Consultation and engagement

- 9.1 The budget engagement process is one of the Council's key projects for ensuring citizens, staff and other stakeholders have a voice in priorities for the city and how its budget is spent.

Background reading/external references

None.

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Links

Coalition pledges	All
Council outcomes	All
Single Outcome Agreement	All
Appendices	None